No. 00-1543

Supreme Court, U.S.
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IN THE

Supreme Court of the United States

FESTO CORPORATION,

Petitioner,

—v.—

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., A/K/A SMC CORPORATION AND SMC PNEUMATICS, INC.,

Respondents.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

BRIEF OF INTERNATIONAL BUSINESS MACHINES CORPORATION, EASTMAN KODAK COMPANY AND FORD MOTOR COMPANY AS *AMICI CURIAE* IN SUPPORT OF RESPONDENTS

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BRIEF OF INTERNATIONAL BUSINESS MACHINES CORPORATION, EASTMAN KODAK COMPANY AND FORD MOTOR COMPANY AS *AMICI CURIAE* IN SUPPORT OF RESPONDENTS[1]

INTEREST OF AMICI CURIAE

International Business Machines Corporation (IBM) is a world-recognized leader in the field of computer research, development, design and manufacturing. During IBM's nearly 100-year history, its employees have included five Nobel laureates and three National Medal of Science and six National Medal of Technology recipients. IBM has received tens of thousands of United States patents, including more patents than any other corporate assignee for the last eight years running and many patents universally recognized as pioneering. *See, e.g.*, U.S. Pat. Nos. 3,387,286 (array of dynamic random access memory cells), 4,343,993 (scanning tunneling microscope), 5,930,643 (semiconductor material fabrication). IBM has approximately 19,000 active United States patents. IBM licenses its patents on a non-discriminatory basis to over 1,000 licensees. IBM also has been involved in patent litigation, both as the patentee and accused infringer.

Eastman Kodak Company (Kodak) is a world-recognized leader in the field of imaging technology. Kodak spends slightly less than one billion dollars per year on research and development and files a large number of United States patent applications each year. In 1998, for

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[1] In accordance with Supreme Court Rule 37.6, amici curiae state that this brief was authored in its entirety by the counsel listed on the cover. No person or entity other than the amici curiae listed on the cover made a monetary contribution to the preparation or submission of this brief.

example, more than 1,100 United States patents were issued to Kodak placing it among the top 10 corporate recipients of United States patents (and third among U.S. corporate recipients). Kodak has approximately 8,500 active United States patents. While Kodak has, from time-to-time, been involved in patent litigation, it seeks in most instances to resolve patent disputes through negotiation. Because patent activity has increased dramatically over the past decade, Kodak is frequently involved in the evaluation of patents of others, many outside the scope of its traditional businesses.

Ford Motor Company (Ford) is a leading manufacturer of automobiles and automobile parts and systems which it designs and develops in its engineering facilities throughout the world. Ford has procured thousands of patents and currently has approximately 3,500 unexpired U.S. patents. These patents and their foreign counterparts are the primary focus of Ford's license granting activities. Ford also has acquired many licenses under the patents of others to support its global manufacturing operations. In addition, Ford has engaged in patent litigation involving its own patents and patents of others.

As leading recipients, licensees and licensors of patents, amici curiae IBM, Kodak and Ford are committed to maintaining the integrity of United States patent law and to the proper interpretation and application of the law. By virtue of their practical experience, amici curiae believe their views will aid this Court in the resolution of the issues raised in the Petition.

With the consent of the parties,[2] amici curiae IBM, Kodak and Ford submit this brief in support of respondents to urge this Court to deny the Petition for Writ of Certiorari.

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[2] Letters reflecting written consent of the parties to the submission of this brief have been filed with the Clerk of the Court.

INTRODUCTION AND SUMMARY OF ARGUMENT

In this case, the *en banc* Federal Circuit addressed the patent law principle known as "prosecution history estoppel." This estoppel is a well-established and necessary legal limit on the doctrine of equivalents—an equitable principle which can expand a patentee's exclusive right beyond the words of the patent claims. Just four years ago, this Court recognized the danger of an unchecked doctrine of equivalents: "the doctrine of equivalents, as it has come to be applied since *Graver Tank* [*& Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605 (1950)], has taken on a life of its own, unbounded by the patent claims" and "when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 28-29 (1997). To avoid those problems, this Court ruled that a patent claim amended for "a substantial reason related to patentability" will create prosecution history estoppel. *Id.* at 33.

Recognizing the "special expertise" of the Federal Circuit "in this area," this Court entrusted responsibility for "refin[ing] the formulation of the test for equivalence" to the "sound judgment" of the Federal Circuit. *Id.* at 40. This case is a direct result of that mandate and should not be disturbed.

The first two issues addressed by the Federal Circuit relate to the circumstances which can create prosecution history estoppel. In a nearly unanimous 11-to-1 decision, the Federal Circuit refined the meaning of "a substantial reason related to patentability" and held: "a narrowing amendment made for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim ele-

ment." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 234 F.3d 558, 566 (Fed. Cir. 2000) (*en banc*). In so holding, the Federal Circuit reiterated that prosecution history estoppel should not be limited to amendments made to overcome prior art because there are a number of statutory patentability requirements that are not related to prior art and "the functions of prosecution history estoppel cannot be fully satisfied if substantial reasons related to patentability are limited to a narrow subset of patentability issues." *Id.* at 567.

The Federal Circuit also held in an 11-to-1 decision that: "voluntary claim amendments [not prompted by a Patent Office rejection,] are treated the same as other claim amendments; therefore, any voluntary amendment that narrows the scope of a claim for a reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element." *Id.* at 563-64. Here, the Federal Circuit emphasized the definitional and public-notice function of claims, as noted by this Court, reasoning that "[b]oth voluntary amendments and amendments required by the Patent Office signal to the public that subject matter has been surrendered." *Id.* at 568.

The remaining issues addressed by the Federal Circuit relate to the range of equivalents available when there is prosecution history estoppel. Following this Court's lead that "[w]here no explanation is established . . . [for a] *limiting* element added by *amendment* . . . prosecution history estoppel would *bar* the application of the *doctrine of equivalents*," *Warner-Jenkinson*, 520 U.S. at 33 (emphasis added), the Federal Circuit unanimously held "[w]hen no explanation for a claim amendment is established, no range of equivalents is available for the claim element so amended." *Festo*, 234 F.3d at 578. Then, in an 8-to-4 decision, the Federal Circuit held: "When a claim amendment creates prosecution history estoppel

with regard to a claim element, there is no range of equivalents available for the amended claim element. Application of the doctrine of equivalents to the claim element is completely barred (a 'complete bar')." *Id.* at 569. The Federal Circuit's reasoning on this question expressly drew on its special expertise resulting from nearly twenty years of experience in this area:

> Our decision to reject the flexible bar approach adopted in *Hughes I* comes after nearly twenty years of experience in performing our role as the sole court of appeals for patent matters. In those years, the notice function of patent claims has become paramount, and the need for certainty as to the scope of patent protection has been emphasized. A problem with the flexible bar approach is that it is virtually impossible to predict before the decision on appeal where the line of surrender is drawn.
>
> * * *
>
> After our long experience with the flexible bar approach, we conclude that its "workability" is flawed.

Festo, 234 F.3d at 574-75.

The Petition should be denied because *Warner-Jenkinson* and earlier Supreme Court precedent directly support the decision below. This Court specifically held that for "limiting element[s] added by amendment" prosecution history estoppel is a "bar [to] the application of the doctrine of equivalents. . . ." *Warner-Jenkinson*, 520 U.S. at 33. The Federal Circuit in *Festo* followed this holding. The decision below is also entirely consistent with the modern Supreme Court cases holding that when prosecution history estoppel applies to a claim element it *bars* any range of equivalents for that element. Petitioner ignores those cases, pointing instead to dicta from 19th Century cases.

The Petition should also be denied because the Federal Circuit's rulings are narrow and reflect its 20 years of experience in this area. The Federal Circuit was clear in holding that only a *narrowing amendment for reasons related to the statutory requirements of patentability* can create prosecution history estoppel, and only with respect to the individual claim element that was so narrowed. The doctrine of equivalents is fully applicable to all other claim elements in any claim—including other elements of a claim containing an element to which prosecution history estoppel applies. Moreover, there is ample opportunity to rebut the presumption of prosecution history estoppel for unexplained amendments, as erected in *Warner-Jenkinson*, by showing that an amendment is not narrowing (*e.g.* was made to correct grammar) or is not related to the statutory requirements for patentability. Borrowing from Mark Twain, the "obliteration" of the doctrine of equivalents as foretold by Petitioner is "greatly exaggerated."

Finally, the Petition should be denied because the policies underlying prosecution history estoppel support the decision below. As this Court has recognized, the definitional and public-notice functions of patent claims are paramount. Those functions are fostered by "strict" application of prosecution history estoppel. As owners of significant patent portfolios, who must also regularly evaluate patents of others, amici curiae agree with the Federal Circuit that the "workability" of the flexible approach to prosecution history estoppel is "flawed." *Festo*, 234 F.3d at 575. The flexible approach to prosecution history estoppel inevitably creates an unacceptably large zone of uncertainty surrounding the scope of a patent claim. *See id.* at 575 (flexible approach "virtually impossible to predict"). These uncertainties have caused amici curiae and other companies similarly situated to avoid certain technologies and thereby has

inhibited the introduction of innovative new products to the detriment of amici curiae and the public. When faced with patent assertions and the attendant uncertainties created by the flexible approach, companies such as amici curiae often pay large, unjustified licensing fees to avoid the costs and disruption caused by protracted litigation. These costs are ultimately passed on to the public. Moreover, the flexible approach is susceptible to abuse by unscrupulous patentees "seek[ing] greater coverage for their patents than the patent statute grants." *Hilton Davis Chem. Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512, 1537 (Fed. Cir. 1995) (Plager, J. dissenting).

In short, the *en banc* Federal Circuit has struck the proper balance between fairly recognizing an inventor's patentable contribution and the ability of the public to rely on disclaimers made to obtain the patent grant. Consistent with this Court's directive in *Warner-Jenkinson*, the Federal Circuit's rulings will foster greater "certainty, consistency, and reviewability," and hence fairness, in administering the patent laws, while preserving the availability of the doctrine of equivalents to all claim elements that were not narrowed for statutory patentability reasons.

ARGUMENT

I CERTIORARI SHOULD BE DENIED BECAUSE THE COURT OF APPEALS' DECISION IS CORRECT UNDER WARNER-JENKINSON AND EARLIER PRECEDENT OF THIS COURT

The Petition should be denied because the Federal Circuit's rulings are fully supported by *Warner-Jenkinson* and other prior decisions of this Court. Specifically, with respect to the effect of prosecution history estoppel, in *Warner-Jenkinson* this Court reiterated the applicability of prosecution history estoppel as an absolute legal limit on the doctrine of equivalents:

> Mindful that claims do indeed serve both a definitional and a notice function, we think the better rule is to place the burden on the patent holder to establish the reason for an amendment required during patent prosecution. The court then would decide whether that reason is sufficient to overcome *prosecution history estoppel as a bar to application of the doctrine of equivalents* to the element added by that amendment. Where no explanation is established, however, the court should presume that the patent applicant had a substantial reason related to patentability for including the *limiting element added by amendment*. In those circumstances, *prosecution history estoppel would bar the application of the doctrine of equivalents* as to that element.

520 U.S. at 33 (emphasis added). There is nothing in *Warner-Jenkinson* that limited the circumstances for invoking prosecution history estoppel to amendments made to overcome a prior art rejection. *See Id.* at 30-31. Quite the contrary, *Warner-Jenkinson* provides that voluntary and unexplained amendments are presumed to create prosecution history estoppel unless rebutted. There, in response to a rejection based on prior art showing a process operating at a pH above 9.0, the patentee had amended its claims to exclude processes operating at a pH above 9.0 and also voluntarily amended its claims to exclude processes operating at a pH less than 6.0. *Id.* at 22. The record before this Court apparently provided no explanation for amendment of the claim to include the lower limit pH of 6.0. *Id.* at 32-33. This Court could have simply held that, as a voluntary amendment (and not responsive to a prior art rejection), it did not create prosecution history estoppel. The Court did not do so, but instead ruled that a "voluntary" amendment would give rise to prosecution history estoppel (unless rebutted) which "would bar the application of the doctrine of equivalents as to that element" and remanded the case.

Long prior to *Warner-Jenkinson*, this Court has consistently applied prosecution history estoppel to "strictly" limit the interpretation of claim elements introduced in response to Patent Office rejections to their literal wording—in other words, as a complete bar to the doctrine of equivalents as to those elements. For example, in *Smith v. Magic City Kennel Club, Inc.*, 282 U.S. 784, 786 (1931), the patent covered a dog race track having a "conveyer car" carrying a lure on a horizontal "arm" which was supported at its "projecting end." The last phrase was added by amendment after a claim without that element had been rejected. *Id.* at 788-89. In construing the literal scope of the patent claim, this Court determined that the patentee disclaimed subject matter during prosecution and "strictly construed" the disclaimer against the patentee:

> *If dissatisfied with the rejection he should pursue his remedy by appeal; and where, in order to get his patent, he accepts one with a narrower claim, he is bound by it.* . . . The applicant having limited his claim by amendment and accepted a patent, brings himself within the rules that if the claim to a combination be restricted to specified elements, all must be regarded as material, and that *limitations imposed by the inventor, especially such as were introduced into an application after it had been persistently rejected, must be strictly construed against the inventor and looked upon as disclaimers.* . . . The patentee is thereafter estopped to claim the benefit of his rejected claim or such a construction of his amended claim as would be equivalent thereto.

Id. at 789-90 (emphasis added) (citations omitted). With respect to the doctrine of equivalents, this Court reiter-

ated its prior "strict" application of prosecution history statements against the patentee:

> What has already been said disposes of [the doctrine of equivalents], for *where a patentee has narrowed his claim, in order to escape rejection, he may not "by resort to the doctrine of equivalents, give to the claim the larger scope which it might have had without the amendments, which amount to disclaimer."*

Id. at 790 (emphasis added) (citations omitted).

Similarly, in perhaps the leading modern case on prosecution history estoppel, *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126 (1942), this Court strictly applied claim elements added by amendment during the prosecution history against the patentee to preclude any range of equivalents. The patent claimed a pinball game having "conductor means . . . embedded in the table. . . ." *Id.* at 129-30. During prosecution of the patent, to overcome a prior art rejection, the patentee amended the claim to specify that the conductor means was "embedded in the table" rather than "carried by the table" as originally claimed. *Id.* at 133. With respect to the doctrine of equivalents, this Court stated:

> By striking that phrase ["carried by the table"] from the claim and substituting for it "embedded in the table" the applicant restricted his claim to those combinations in which the conductor means, though carried on the table, is also embedded in it. *By the amendment he recognized and emphasized the difference between the two phrases and proclaimed his abandonment of all that is embraced in that difference. The difference which he thus disclaimed must be regarded as material, and since the amendment operates as a disclaimer of that difference it must be strictly construed against him. . . . It follows that*

> *what the patentee, by a strict construction of the claim, has disclaimed*—conductors which are carried by the table but not embedded in it—*cannot now be regained by recourse to the doctrine of equivalents*, which at most operates, by liberal construction, to secure to the inventor the full benefits, not disclaimed, of the claims allowed.

Id. at 136-37 (emphasis added) (citations omitted). *Smith* and *Exhibit Supply Co.* are part of a long line of Supreme Court cases strictly applying prosecution history estoppel to bar any range of equivalents for claim elements that were narrowed by amendment for patentability reasons.[3]

The Supreme Court has been consistent throughout the 20th Century. A patentee cannot, by operation of the doctrine of equivalents, recapture any subject matter that it disclaimed in order to secure allowance of the claims. The entire difference between a broad claim as originally submitted and a narrower claim as issued is disclaimed and abandoned. Thus, no patentee can now claim surprise or be heard to complain. The *en banc* Federal Cir-

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[3] *See, e.g., I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 444 (1926) (claim amendments "must be strictly construed against the inventor and looked upon as disclaimers"); *Keystone Driller Co. v. Northwest Eng'g. Corp.*, 294 U.S. 42, 48-49 (1935) ("we do apply the principle that, where such broad claims are denied and a narrower substituted, the patentee is estopped to read the granted claim as the equivalent of those which were rejected. . . . In other words, we find no justification for enlarging the scope of what is described, but rather the requirement of strict limitation to that which is specified. . . .") (citations omitted); *Weber Elec. Co. v. E.H. Freeman Elec. Co.*, 256 U.S. 668, 677-78 (1921) ("Having thus narrowed his claim against rotary movement in order to obtain a patent the patentee may not by construction, or by resort to the doctrine of equivalents, give to the claim the larger scope which it might have had without the amendments, which amount to a disclaimer of rotation as an operative feature of his device.").

cuit simply followed the holdings of those cases in ruling that a narrowing amendment for reasons related to the statutory requirements of patentability precludes recapture of the disclaimed subject matter.

II CERTIORARI SHOULD BE DENIED BECAUSE THE COURT OF APPEALS' DECISION IS NARROW, PRESERVES THE DOCTRINE OF EQUIVALENTS AND REFLECTS AN EXERCISE OF SOUND DISCRETION WITHIN THE FEDERAL CIRCUIT'S AREA OF SPECIAL EXPERTISE

A The Court Of Appeals Followed This Court's Mandate In Warner-Jenkinson

In *Warner-Jenkinson*, this Court entrusted the responsibility for refining the doctrine of equivalents to the sound judgment of the Federal Circuit:

> we see no purpose in going further and micromanaging the Federal Circuit's particular word choice for analyzing equivalence. We expect that the Federal Circuit will refine the formulation of the test for equivalence in the orderly course of case-by-case determinations, and we leave such refinement to that court's sound judgment in this area of its special expertise.

520 U.S. at 40. *See id.* at 39 n. 8 ("We leave it to the Federal Circuit how best to implement procedural improvements to promote certainty, consistency, and reviewability to this area of the law"). This is consistent with the goals and purpose underlying the creation of the Federal Circuit. *See* H. Rep No. 97-312 at 17-24 (1981). The Federal Circuit followed this Court's directive to refine the test for equivalents on remand.

The Federal Circuit posed and answered questions relating to the: (i) circumstances creating prosecution history estoppel (questions 1 and 2); and (ii) range of equivalents available under the doctrine of equivalents where there is prosecution history estoppel (questions 3 and 4). *Festo*, 234 F.3d at 563. The holdings of *Festo* will promote "certainty, consistency and reviewability to this area of the law." Having carefully discharged this Court's mandate, the Federal Circuit's judgment should not be disturbed.

Contrary to Petitioner's alarmist "sky is falling" cry that *Festo* "obliterates" the doctrine of equivalents, the Federal Circuit rulings are quite narrow and specific—refinements on the balance between prosecution history estoppel and the doctrine of equivalents. Except for the limited circumstance where a claim element is narrowed by amendment for statutory patentability reasons, the doctrine of equivalents remains fully available.

The conclusions reached by the Federal Circuit follow directly from this Court's ruling in *Warner-Jenkinson*. Specifically, as this Court ruled, an unexplained claim amendment is presumed to have been made for patentability purposes and, unless rebutted, will bar application of the doctrine of equivalents to the amended claim element. Given this rule applicable to unexplained amendments it is difficult to understand how an amendment coupled with an explanation that it was made for reasons of patentability could be treated any differently. It follows, then, that the same bar must apply to any claim element which is narrowed for the explicit purpose of satisfying the statutory requirements for patentability.

The Federal Circuit's holdings leave entirely intact the doctrine of equivalents with respect to all claim elements that were not narrowed by amendment to satisfy a statutory requirement for patentability. *See Festo*, 234 F.3d at 567-68 ("if a patent holder can show from the prosecution history that a claim amendment was not motivated

by patentability concerns, the amendment will not give rise to prosecution history estoppel"). In addition to claims that have not been amended at all, even claims that have been amended will have the benefit of the doctrine of equivalents as to any and all claim elements that have not been narrowed for patentability reasons—*e.g.* unamended claim elements, claim elements that have been broadened by amendments, or claim elements that have been amended to make grammatical corrections.

B Lower Courts Have Ably And Carefully Applied *Festo* To Preserve The Doctrine of Equivalents

Consistent with the *Festo* decision, the lower courts have applied *Festo* quite carefully to foster greater certainty, consistency, reviewability and fairness in administering the patent laws, while preserving the availability of the doctrine of equivalents.

In *Honeywell Int'l Inc. v. Hamilton Sundstrand Corp.*, No. Civ. A. 99-309, 2001 WL 66348, at *4 (D. Del. Jan. 8, 2001), the district court ruled that prosecution history estoppel did not apply where the patentee merely rewrote allowable claims in independent form:

> The patent examiner rejected substantially all of the original claims based on the prior art. However, the remaining dependent claims would be allowed if rewritten into independent form. Since the examiner had rejected all of the other claims, these claims had to be rewritten because they would no longer make sense as written in dependent form. In this case, the elements at issue were not surrendered at all.

Id. at *6. Accordingly, the court held that the patentee was not barred by prosecution history estoppel from maintaining its claim of infringement under the doctrine of equivalents.

In *ACLARA BioSciences, Inc. v. Caliper Tech. Corp.*, 125 F. Supp. 2d 391, 400 (N.D. Cal. 2000), the court considered whether *Festo* applied to the entirety of a claim clause (the "plurality of electrodes" clause) that was amended during prosecution or whether it applied to individual portions of the clause. The court determined that the amended claim clause actually specified three separate components: a "number of electrodes component," a "non-insulation component," and an "electrode configuration component." The court ruled that the *Festo* bar only applied to the *one* component that was actually amended, not all three:

> ACLARA's amendment undoubtedly creates amendment-based estoppel as to the non-insulation component under *Festo*. ACLARA amended that component and narrowed its literal scope for a reason related to patentability. As a result, ACLARA is barred from asserting any range of equivalents as to the non-insulation component of the "plurality of electrodes" clause.
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> * * *
>
> However, ACLARA's amendment did not alter the electrode configuration component of the "plurality of electrodes" clause. ACLARA did not surrender any subject matter related to where along the trenches the electrodes should be placed; its amendment was limited to whether the electrodes should be insulated from the medium.

Id. at 400-01. The court decided that a single clause in a claim describing one particular physical structure can contain several elements and, accordingly, prosecution history estoppel under *Festo* must be applied individually to each of the elements, not to a claim clause as a whole. *Id.* at 403. *See TM Patents, LLP v. IBM Corp.*, No. 97 CIV. 1529, 2001 WL 396002, at *3 (S.D.N.Y.

Jan. 15, 2001) (*Festo* only applied to functional portion of means-plus-function claim element).

These cases illustrate the continuing vitality of the doctrine of equivalents and refute Petitioner's exaggeration of the refinements reflected by *Festo*. As these cases and others proceed through the district courts and Federal Circuit, there will undoubtedly be further refinements to the doctrine of equivalents and prosecution history estoppel as anticipated by this Court in *Warner-Jenkinson*.

III CERTIORARI SHOULD BE DENIED BECAUSE THE COURT OF APPEALS' DECISION IS CONSISTENT WITH THE PARAMOUNT DEFINITIONAL AND PUBLIC-NOTICE FUNCTIONS OF PATENT CLAIMS AND SOUND PUBLIC POLICY

Since the time patent claims became statutorily required, their function has always been to define the patent rights and provide notice to the public of the scope of those rights. *White v. Dunbar*, 119 U.S. 47, 52 (1886) ("The claim is a statutory requirement, prescribed for the very purpose of making the patentee define precisely what his invention is; and it is unjust to the public, as well as an evasion of the law, to construe it in a manner different from the plain import of its terms."). In *Warner-Jenkinson*, the Court recognized that broad application of the doctrine of equivalents conflicts with the definitional and public-notice functions of patent claims:

> We do, however, share the concern of the dissenters below that the doctrine of equivalents, as it has come to be applied since *Graver Tank*, has taken on a life of its own, unbounded by the patent claims. There can be no denying that the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement.

520 U.S. at 28-29. *See id.* at 33 (noting need for "proper deference to the role of claims in defining an invention and providing public notice"). Thus, this Court reaffirmed the paramount importance of the definitional and public-notice functions of claims in applying prosecution history estoppel to bar the doctrine of equivalents. *Id.*

Prosecution history estoppel complements and reinforces the definitional and public-notice functions of patent claims by preventing patentees from recapturing through the equitable doctrine of equivalents subject matter that was abandoned or disclaimed during prosecution of the patent. That is, abandonment or disclaimer of certain subject matter during prosecution of a patent by a narrowing claim amendment, circumscribes the patent rights defined in the claim and provides additional express notice to the public of what is and what is not within the scope of those rights. *Texas Instruments, Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1175 (Fed. Cir. 1993).

To place the rationale for prosecution history estoppel in perspective, it is not a Patent Office rejection that triggers prosecution history estoppel as Petitioner suggests. Rather, the estoppel occurs because of the patentee's deliberate choice in making a narrowing claim amendment and thereby disclaiming certain subject matter to obtain the patent grant. Prosecution history estoppel binds the patentee to those disclaimers made during prosecution, whether "voluntary" or explicitly in response to a rejection, consistent with the definitional and public-notice functions of patent claims.

For example, a patentee may become aware of prior art during prosecution that is not the basis of an explicit rejection imposed by the Patent Office. If the patentee

amends its claims to avoid that prior art, a disclaimer has been made that cannot be circumvented by the doctrine of equivalents. Likewise, when a patentee amends its claims to address a lack of enablement problem, 35 U.S.C. § 112 ¶ 1, that has not been the basis of a rejection, a similar disclaimer has been made upon which the public should be able to rely. In those instances, the patentee may not have explicitly stated the reasons for the amendment, but the change in the claim made by the amendment is readily apparent to the public; the public is entitled to rely on that change without trying to divine the patentee's intent.

Before *Festo*, some Federal Circuit decisions applied the so-called "flexible approach" to prosecution history estoppel. As the Federal Circuit recognized in *Festo*, the flexible approach is unworkable and contravenes the definitional and public-notice function of patent claims. It creates a zone of uncertainty as to the scope of a patent claim. For example, the flexible approach has had a chilling effect on amici curiae (and other companies similarly situated) in pursuing and developing certain technologies and thereby has prevented the introduction of innovative new products to the detriment of amici curiae and the public. *See Festo*, 234 F.3d at 577 ("Under the flexible bar approach, however, the exact range of equivalents when prosecution history estoppel applies is virtually unascertainable. . . ."). It can also result in payment of large, unjustified licensing fees to avoid those uncertainties in litigation; costs which are invariably passed along to the public in terms of higher prices.

Moreover, unbridled availability of the doctrine of equivalents can easily lead to abuse, resulting in unjustified and costly litigation. As noted in Judge Lourie's concurrence in *Festo*:

> It has been said that there is no hard evidence showing that the so-called "flexible" bar impairs predictability. While it is true that empirical data may not be available, powerful evidence may be garnered from the experience of this court, which monthly reviews appeals in which infringement is asserted under the doctrine of equivalents even though the accused product is clearly not within the literal scope of the asserted claims. Many of these appeals involve prosecution histories in which amendments for patentability reasons have been made. Yet, equivalence is argued in the hope that one panel might find equivalence where another would not. That surely is persuasive evidence that the current flexible bar is not working.

Festo, 234 F.3d at 596 (Lourie, J., concurring). *See id.* at 576 (flexible bar is "a benefit [to the patentee] that comes at the public's expense."). Similarly, Judge Plager in dissent in *Hilton-Davis* stated:

> [T]oday the doctrine is regularly used by patentees to seek greater coverage for their patents than the patent statute grants.
>
> * * *
>
> [t]he doctrine of equivalents is a virtually uncontrolled and unreviewable license to juries to find infringement if they so choose. And this is done largely without regard to and independent of the express limitations of the patent claims which may have brought about their allowance by the Patent and Trademark Office (PTO) in the first place.

Hilton-Davis, 62 F.3d 1512, 1537-38 (Plager, J., dissenting) (citation omitted).

Because of the paramount definitional and public-notice functions of patent claims and to curtail abuse of the doctrine of equivalents by patentees, the Petition should be denied.

CONCLUSION

The Petition for Writ of Certiorari should be denied because the Federal Circuit correctly held that an estoppel can and should be created in *all* contexts (prior art and non-prior art; voluntary and in response to a rejection) in which an amendment narrows the scope of a claim element for any reason related to a statutory requirement for a patent. Such an amendment serves as a disclaimer and thereby bars application of the doctrine of equivalents to the narrowed claim element.

The *en banc* Federal Circuit exercised its discretion in its special area of expertise in accordance with this Court's mandate in *Warner-Jenkinson* and sound public policy. For these reasons, the Petition should be denied.

Respectfully submitted

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